

From: Justin Milliun, San Jose, CA

Subject: Electronic Fund Transfers

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Comments:

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Dear Federal Reserve Board:

I had a small business savings account and checking account with Bank of the West. I provided internet access services at a major hotel in San Francisco at the time. Customers would pay for access via credit card from their own laptop. My experience was that users would often complain about the charge, probably due to the lack of a paper receipt even after using the service. American Express had a policy of giving me a chargeback without question.

Chargebacks were deducted from my account electronically, and without warning. On one occasion the amount of the chargeback exceeded the balance that day, but it appeared that Amex made repeated attempts to draw the chargeback, the result was a series of fees that totally emptied my business checking and savings account. I recieved a letter from the bank to cover the amount within a period of time, and attempted to comply, delivering a check in person. The manager of the bank refused the check, even though presented within the period specified by the bank's letter, informing me that the account had already been sent to collections. I subsequently spent over \$350 to cover fees, lost a \$250 savings account, lost my bank account of nearly 78 years, all due to a chargeback of \$24.95, and an overly aggressive American Express. I paid everyone to preserve my credit, but my loss for this was over \$500 for a \$24.95 chargeback.

Given this behavior, I do not want to be automatically enrolled in an overdraft "protection" program. Please allow me and other customers to "opt-in" to these programs rather than allowing banks to automatically enroll us.

Furthermore please also stop banks from using unfair practices to increase overdraft fees - like ordering transactions from highest to lowest, rather than the order in which they occurred. It appears this process was used to allow my bank to collect all the money from my accounts.

Sincerely,

Justin Milliun